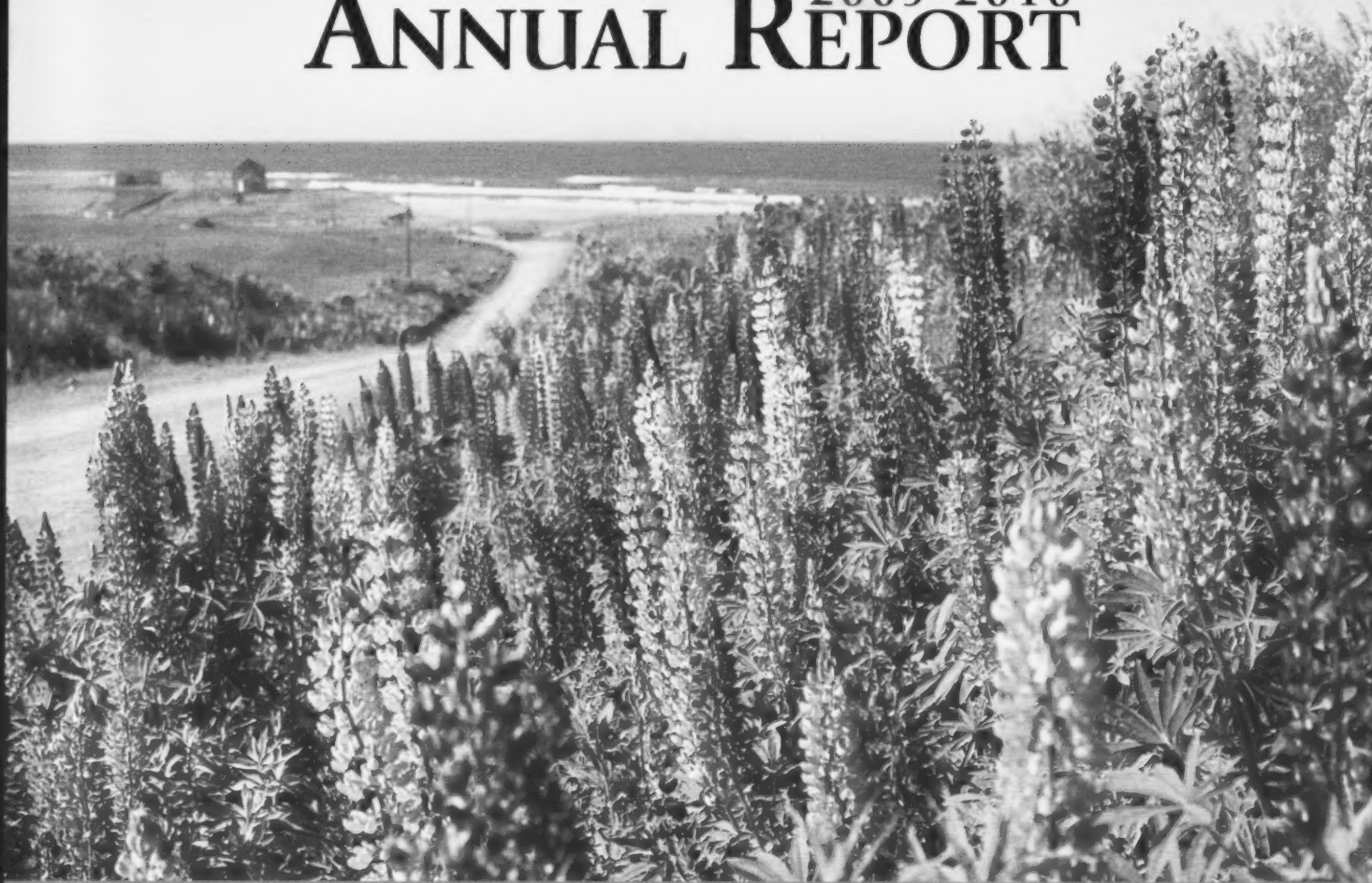


TOURISM AND CULTURE

ANNUAL REPORT²⁰⁰⁹⁻²⁰¹⁰



*Prince
Edward
Island*

CANADA

Tourism and
Culture

Prince Edward Island
Department of Tourism and Culture

Annual Report
2009-2010

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Minister's Message



The Honourable Barbara A. Hagerman
Lieutenant Governor of Prince Edward Island

May It Please Your Honour:

I have the honour to submit herein the annual report for the activities of the Department of Tourism and Culture for the period April 1, 2009, to March 31, 2010.

The Department of Tourism was restructured in 2010 to create the current Department of Tourism and Culture. I look forward to working with the cultural sectors and stakeholders.

I hope that a close relationship between tourism and culture will encourage the further cultural development of PEI, as well as attract new and returning visitors to the Island so that they may discover our hidden cultural gems.

Respectfully submitted,

A handwritten signature in cursive script that reads "Robert Vessey".

Robert Vessey
Minister of Tourism and Culture

Deputy Minister's Message

The Honourable Robert Vessey
Minister of Tourism and Culture
PO Box 2000
Charlottetown, PE C1A 7N8

Honourable Minister:

It is my pleasure to present the annual report of the Department of Tourism and Culture for the period April 1, 2009, to March 31, 2010.

The Prince Edward Island (PEI) tourism industry, one of our primary industries, provides significant economic benefits for the province. The tourism sector employs thousands of Islanders and contributes directly to the cost of important public services such as health care and education.

With the implementation of a new integrated tourism solution and the ability to sell PEI tourism products to anyone, anywhere, at anytime, online or through our call centre, the Department of Tourism and Culture is ready to show the world what Prince Edward Island has to offer.

The Department of Tourism and Culture continues to focus on the development and continuation of partnerships with industry and stakeholders in both tourism and culture. We will encourage our close working relationship with the Tourism Advisory Council, the Tourism Industry Association of PEI, and tourism stakeholders, as well as begin forging new relationships with PEI cultural sectors and industries.

Yours Truly,



Melissa MacEachern
Deputy Minister

Sector Snapshot

There were 1,290,425 visitors to PEI in 2009. This is a 7.3 per cent increase over 2008 fiscal.

Overnight stays increased by 2.5 per cent, rising to 788,809 overnight stays for 2009. Campground stays were up 21.8 per cent, while fixed roof room nights were down 3.6 per cent.

During 2009 year, airport and ferry traffic decreased, while bridge traffic increased by 9.1 per cent. Cruise ship passenger and crew visits also increased by 5.1 per cent.

In addition, 107,633 English visitor information kits were mailed out, along with 15,553 French kits.

In 2009, meetings, conventions, and incentive travel (MCIT) made a significant impact on tourism in PEI. For the 2009 fiscal year there were 202 meetings, bringing in 20,124 delegates. Meetings and conventions injected \$19.473 million into our economy.

In 2009 a redesigned Public Library Service website was launched at www.library.pe.ca, with a new design that gives a distinct online presence, is more user-friendly, and allows for more in-depth internal traffic analysis.

And finally in 2009 the Department opened a new library facility for the community of Montague in the Cavendish Health & Wellness Centre.

Departmental Overview

The Department of Tourism was restructured in 2009-10 to encompass the division of Culture, Heritage, and Libraries, and went through an organizational change resulting in the creation of the following divisions: Strategy, Evaluation and Industry Investment, Marketing Communications, Corporate Services, and Consumer Sales and CRM.

The Culture, Heritage and Libraries Division provides leadership, programs and services to the residents of Prince Edward Island in the areas of recorded information management, library services, historic preservation and documentation, and cultural development. The division also provides liaison between the Government of Prince Edward Island and organizations which are representative of these sectors.

The Corporate Services Division of the Department of Tourism is responsible for general administration, financial services, human resources, records management, insurance matters, FOIPP, Provincial Parks and Provincial Golf Operations.

The Strategy, Evaluation and Industry Investment Division is responsible for regional tourism development and investment, the development and implementation of industry support programs, managing the regulatory affairs of the *Tourism Industry Act* (license, occupancy report, water testing) and the *Highway Signage Act* (Tourism Directional Signage, Special Event Signage and On-Premise Signage). SEII is also the lead liaison on intergovernmental affairs including an advocacy role to represent the interests of the tourism industry in key policy areas such as improved air access, Atlantic Gateway Initiative, labour and immigration issues, and land use matters.

The Marketing Communications Division aggressively markets and promotes Prince Edward Island as a premier vacation destination and ensures quality services for the tourism industry of Prince Edward Island.

The Sales and CRM team is responsible for customer service, retention and loyalty. Customer service centres include the provincially run Visitor Information and Call Centres. The division is also the lead for the implementation of the ITS (Integrated Tourism Solution Technology) and the Central Reservation System.

Corporate Management consists of the Office of the Minister, Deputy Minister, and Corporate Services staff providing leadership, overall management, administration, and communication for the department.

Prince Edward Island Tourism Advisory Council (TAC)

The PEI Tourism Advisory Council (TAC) is an industry advisory board to the Minister of Tourism and Culture. TAC is made up of a board of 18 members, as well as ad-hoc task forces and committees struck from time to time to address particular issues or opportunities. At the council level, there are 14 industry stakeholders and four senior provincial and federal government members involved in the work of the TAC.

TAC was appointed in December of 2004, as the result of a collaborative effort of industry, provincial and federal government leaders meeting to discuss challenges within the tourism industry in Prince Edward Island.

The concept of public and private sector working together is well established in other jurisdictions. In many cases it has proved successful, with private sector partners playing an integral role in raising the profile of tourism as an economic generator and securing additional investment for tourism programming.

TAC's role is simple - to advise the Minister of Tourism and Culture on marketing, product development and research initiatives, with the sole outcome of increasing tourism revenues for the province.

TAC's product investment strategy advises that investments must be strategic and integrated across all research and marketing, and investments must support the vertical markets that hold the highest possible return on investment.

Key product verticals are culinary, tourism, culture (especially mobilizing further on the Anne 2008 events), and golf.

The Product Development Fund has been discontinued and replaced with three new application-based funds, and the new Strategic Investment Fund. The Strategic Investment Fund will concentrate on key investments such as golf, convention partnerships, touring routes, and concerts/major events.

Two new funds for Regional Tourism Associations (RTAs) have been established, and a newly established Tourism Innovation Fund will assist priority vertical markets in product development. Four smaller grant programs will continue as offered.

Existing programs will be continued, such as Community Festivals and Events Assistance Program, PEI Acadian Francophone Tourism Development Fund, Meetings and Conventions Hosting Program, Reunion Program, and the Tourism Website French Translation Program.

TAC will continue its commitment to the Tourism Research Centre at UPEI focusing on new research initiatives which will include an Outlook Model for Forecasting, Exit Survey Data and Sub-Profiles, Environics Profiling, and an Operator Panel.

Marketing areas of focus will include golf, culinary, Quebec, and 'out of the box' marketing techniques. Investments are recommended in Ontario, Quebec, Nova Scotia, New Brunswick and New England, as well as efforts should be made at maintaining major markets in Montreal and Toronto.

Attempts will be made to define the brand essence as Island, people, and emotional effects of revival, renewal, restoration.

Divisional Activities

There are five divisions in the Department of Tourism and Culture for the 2009/2010 fiscal year. They are Consumer Sales and Customer Relationship Management, Corporate Services, Strategy, Evaluation and Industry Investment, Marketing Communications, and Culture, Heritage and Libraries.

Strategy, Evaluation, And Industry Investment

The Strategy, Evaluation and Industry Investment Division is responsible for regional tourism development and investment, the development and implementation of industry support programs, managing the regulatory affairs of the *Tourism Industry Act* and the *Highway Signage Act*.

The division works actively with the Tourism Advisory Council and industry stakeholders in conducting research projects on consumer demand and new product development opportunities. The division also works with the Tourism Research Centre to increase the research capacity of the province and assist with the transfer of knowledge to industry partners.

Evaluation, Measurement and Business Intelligence Unit

This unit is responsible for the on-going monitoring of the department's objectives and strategies including: establishing corporate performance measurement tools; working with the department's senior management team to integrate performance management principles into program activity; and coordinating corporate performance activity. The unit has overall responsibility for overseeing the development of evaluation frameworks and the identification of evaluation metrics.

Product Development, Investment, and Regulatory Affairs

Product Development, Investment and Regulatory Affairs is responsible for:

- The management of opportunities to grow current businesses and attract new tourism development and investment opportunities.
- The professional development of industry partners and operators through the provision and support of training initiatives to ensure the tourism industry on PEI is competitive in the global marketplace.
- All regulatory functions administered under the authority of the *Tourism Industry Act* and Regulations and the *Highway Signage Act* and Regulations.
- Ensuring that all tourism operators are in compliance with industry standards as prescribed by legislation and regulations.

- Overseeing the investigation of quality standard issues and maintain a close relationship with industry organizations involved with standards. The unit oversees the contract with Quality Tourism Services (QTS). On behalf of the Department, QTS is contracted to perform the inspections required for the licensing of tourist accommodations.
- This division also manages contracts with Golf PEI, and the Meetings and Conventions sector.

This unit is also responsible for the development and implementation of programs designed to support the expansion of the tourism industry through development of new and enhanced "product offerings" including, but not limited to, key vertical markets such as golf, culinary and culture.

This division was responsible for the following funds in 2009-10:

- *The Regional Foundation Fund*
- *The Regional Product Development Fund*
- *The Tourism Innovation Fund*
- *The Prince Edward Island Acadian and Francophone Tourism Development Program*
- *Programme de développement touristique Acadien et Francophone de L'Île-du-Prince-Édouard*
- *The Festivals and Events Assistance Program*
- *The Meetings and Conferences Hosting Grant Program*
- *The Tourism Website French Translation Program*
- *The Reunion Assistance Program*

In 2009-10 government invested in Big Break PEI, a reality golf show which showcased Mill River and brought the Island Golf product to the forefront in the golf market in this partnership with the Golf Channel.

The other major investment in 2009-10 was the re-branding and re-development of the last Coastal Drive. This coastal touring route will complete the system of three provincial coastal touring drives. The three drives are, The North Cape Coastal Drive, Points East Coastal Drive and now the Central Coastal Drive. Research has shown visitors are looking for Coastal touring routes to appreciate the beauty of the Island.

Industry Standards

The quality of Prince Edward Island's products and services is essential to the long-term health of the tourism industry.

The *Tourism Industry Act* sets out the operating standards for Prince Edward Island tourism accommodation operators. On an annual basis, every accommodation operator must pass inspection. They must also have their water tested quarterly, submit monthly occupancy reports, and pay their annual license fee, in order to ensure that the property complies with the licensing standards set out in the Act.

Tourism PEI contracts Quality Tourism Services (QTS) to inspect and provide water testing to all properties. QTS has a strong working relationship with Tourism PEI, and they employ professionally trained inspectors who are knowledgeable in the requirements of the Act.

Tourism PEI's compliance section supports licensed industry operators by enforcing the Act and works to bring unlicensed operators into the industry. Tourism PEI works closely with industry partners such as the Tourism Industry Association of Prince Edward Island (TIAPEI), Quality Tourism Services (QTS), and the Tourism Advisory Council (TAC) to maintain the quality and standards that are critical to success. It is this team approach that ensures visitors enjoy the best possible vacation, based on quality services and memorable experiences.

Tourism PEI continues to strive toward increasing accessibility for the French-speaking public in order to comply with the Canada-PEI Agreement on French Language Services. Tourism PEI provides reception services in both official languages and several staff are fluent in French or are taking French language training. In 2009, the Genuine Island Experiences packaging brochure was available in French. This joins the Island Guide and a number of other publications which are translated into French as stand-alone pieces.

Visitor Information and Destination Centres provide services to the traveling public and are mandated to have bilingual staff available. The Centres have been in compliance for many years and continue to improve the level of service with each passing year. In all other venues of Tourism PEI's service to the public, every effort is made to ensure that there is service provided in French by front-line staff.

Under the terms of the Canada-PEI Agreement on French Language Services, the Association touristique Evangeline au service des Acadiens et Francophones de l'Île-du-Prince-Édouard received funding for its operations. This association brings together Acadian and Francophone tourism operators to better promote the Acadian and Francophone tourism product and the association works to present a united voice to government.

Fall Flavours

Chef Michael Smith once again hosted the Fall Flavours festival in 2009-10. The festival occurred from September 25 to October 4, and featured 150 interactive culinary events, including interactive taste workshops, culinary bootcamps, and special signature events featuring Chef Michael Smith. Fall Flavours provides unique local culinary experiences opportunity during Prince Edward Island's peak harvest season, which interests our target markets. Twenty-two restaurants participated in the Dine Around the Island program, creating special menus and unique and interactive dining experiences for festival guests.

Marketing Communications

The overall mandate of the Marketing Communications Division is to promote Prince Edward Island as a premiere, multi-seasonal vacation destination in our target markets.

The division is responsible for the publication and distribution of provincial tourism literature, travel industry sales, publicity, advertising, and promotions.

Tourism PEI is a partner in the Atlantic Canada Tourism Partnership (ACTP) which merges two levels of government and the region's private industry. The partnership allows the province to reach strategic markets in the United States, Europe, and Japan.

The Atlantic Canada Opportunities Agency (ACOA) and Tourism Atlantic also provide funds for special marketing programs. In addition, Tourism PEI actively pursues partnership opportunities with the Canadian Tourism Commission (CTC) and others, in joint-venture initiatives.

The Marketing Communications Division has also worked closely with the Tourism Advisory Council (TAC). Marketing strategies and programs will continue to be reviewed by TAC and its Marketing Committee. The Department of Tourism and Culture is represented on TAC by the Deputy Minister and the Director of Marketing Communications. TAC provides sound advice to the Minister, and the Department will continue to work in partnership with TAC to develop strategic annual marketing plans based on effective research.

Advertising and Publicity

Co-op advertising includes a matching of private and public sector funds for marketing purposes. In addition to purchasing listings and display space in Tourism PEI publications, co-op advertising takes place in the form of packages or special offers from local business, and may be placed in publications such as Yankee Travel Guide, AAA/CAA publications, or regional newspapers.

There was a five week co-op ad campaign in the travel section of the Globe and Mail newspaper.

Website/email newsletter advertising space is offered on a co-op basis. These advertising opportunities are sold to the PEI tourism industry by a local company affiliated with the agency of record.

In 2009-10, several large scale events generated publicity for Prince Edward Island.

The Big Break Prince Edward Island reality TV series aired on April 20, 2009 on the Golf Channel. Twelve competitors, including Canadian contestant, Derek Gillespie, played in 10 elimination rounds with the final two facing off in match play to determine the winner. The Big Break Prince Edward Island premiere episode had 20 per cent more viewers than the previous Big Break series.

The investment with the Golf Channel provided Prince Edward Island with close to \$12 million worth of exposure, due to extensive on-air, online, and cross network promotions. The series reached 10,500,000 Golf Channel viewers with multiple airings that allowed for multiple media impressions. There were also full-page advertisements in Golf Digest, Golf World Magazines, and throughout the Golf Channel's parent company. Golf Channel also aired the 2006 and 2007 Legends of Golf which occurred in Prince Edward Island, and 26 hours of additional Big Break re-airings.

The 2009 Canada Games were held in Prince Edward Island, marking the first time the entire province has hosted the Games as 'One Island Community.' Islanders welcomed athletes, artists, and visitors from across Canada.

The Games were held Aug. 15-29, 2009 and hosted 4,400 athletes, coaches and managers in 18 different sports, along with thousands of spectators, and attracted national media coverage. The National Artist Program was held concurrently at multiple Island-wide venues.

The first annual Cavendish Beach Music Festival drew visitors and media attention to the Island. Occurring July 10-12, 2009, the three-day concert event featured 20 country music acts including Tim McGraw and Reba MacIntyre. The festival attracted 15,000-20,000 fans and generated positive economic spin-offs to Prince Edward Island and the Cavendish area.

Prince Edward Island was showcased on an international stage at the 2010 Vancouver Olympics, displaying our culinary delights, culture, tourism, talent, business, and hospitality at the largest sporting event in the world. Prince Edward Island participated in Atlantic Canada House, which showcased the best of Atlantic Canada to the world. There was two weeks of daily culinary tastings, entertainment, and exposure of Atlantic Canadian tourism and other industries. Vancouver Magazine names Atlantic Canada House as the third most popular pavilion at the 2010 Olympics.

Feb. 17-18 were PEI Days featuring Island talent, culture, and culinary offerings. Prince Edward Island artists featured at Atlantic Canada House included Catherine MacLellan, Chuck & Albert, John Connolly, and the Confederation Centre Young Company, along with many others.

In April 2010, Prince Edward Island was selected by Frommer's Travel Guide as one of the 10 most interesting Islands in the world. In order to continue our successful marketing efforts, 2010 has been declared 'Year of Culinary' with a marketing focus on our culinary offerings.

The PEI Culinary Alliance will leverage Island food offerings for economic growth and increased culinary tourism. Initiatives through the Alliance include the Culinary Trail, a handbook of all Prince Edward Island culinary offerings, a culinary website to integrate all food experiences content, and participation in food shows including the Boston Seafood Show, and the NYC Food and Wine Show.

Marketing will continue including targeted initiatives for the golf market, and proactive public relations and media relations activities. There will be a greater focus on social media and the internet, and less focus on television advertising. Marketing messages will incorporate both experiential tourism, and festivals and events.

Fulfillment

Total inquiries were up by 8.7 per cent with an increase of 6.7 per cent of total kits mailed.

Online inquiries were up by 371 per cent and costs per lead were reduced by 67 per cent.

107,673 English Visitor's Guides were mailed out, along with 15,553 French guides.

From April 1 2009 to April 1 2010, there were 1,557,593 visits to the website, with an average of 7.98 pages viewed per visit.

- Visitors spent an average of 5.8 minutes on the site.
- Nearly 50 per cent of visitors came through search engines, mostly through Google.
- 25 per cent of visitors came directly to the website, likely as a result of seeing the URL advertised.
- 26,852 visitors requested a visitor's guide through the website.
- 358 signed up for a newsletter.
- Visitors to the website were mostly Canadian, with 343,764 American visits, 28,424 Japanese visits, and 59,273 visits from Europe.

Trade and Sales

The Trade and Sales section is responsible for generating sales of Prince Edward Island's vacation products through trade and consumer channels.

Trade and Sales staff work with tour operators, motor-coach companies, cruise lines, auto clubs, and travel agents. Also, in conjunction with industry partners, Trade and Sales represents the province at marketplaces, sales missions, and consumer shows.

The section focuses primarily on North America, Japan, United Kingdom, and Germany.

During the 2009-2010 fiscal year, the Trade and Sales section participated in the following activities:

- Motorcoach Marketplaces:
- National Tour Association (NTA)
- American Bus Association (ABA)
- International Marketplaces
- Rendezvous Canada (RVC)
- World Travel Mart (WTM)
- ITB-Berlin

Trade and Sales Staff also participate in consumer travel shows in Montreal, Toronto, Ottawa, Quebec City, Boston, Foxboro, New York City and Halifax.

Trade and Sales staff, in conjunction with other Tourism Trade Staff from Atlantic Canada, provided educational training sessions to staff including Travel Impressions, selected Travel agents from NYC area and AAA staff at various locations in New England.

During this time period, the Trade and Sales staff highlighted events such as "every year is the Year of Anne", additional cruise line arrivals, direct air flights from New York, Flavours Trail and "Once in a Lifetime Experiences".

The Trade and Sales staff provide an ongoing connection between tourism operators on the Island and members of the travel trade that have clients visiting Prince Edward Island or are developing new initiatives to encourage and increase new visitors to Prince Edward Island.

In 2009-10, 41 cruise ships arrived in Prince Edward Island carrying 63,073 passengers and 27,844 crew members.

There were six inaugural visits, which included:

- Costa Atlantica with 2,680 passengers
- Norwegian with 1,966 passengers
- Norwegian Majesty with 1,460 passengers
- Crystal Symphony with 545 passengers
- Silver Cloud with 296 passengers
- M/S Clelia II with 110 passengers.

Meetings and Conventions and Employee Convention Hosting Opportunities (ECHO)

ECHO is a joint program with Tourism PEI, Tourism Charlottetown, and the PEI Meeting and Convention Partnership. The mandate of ECHO is to encourage provincial employees to invite meetings to Prince Edward Island. ECHO also assists with the organization of these meetings by utilizing the many resources for support such as those available through the PEI Convention Partnership and Tourism PEI.

In 2009 there were more than 250 volunteers involved in the 42 employee-driven meeting. Those 42 meetings drew 4,872 delegates, and accounted for 25 per cent of the meetings generated through the PEI Meetings and Conventions Partnership.

While the economy of Prince Edward Island has benefitted greatly from ECHO, many involved feel that the greatest benefit has been the empowerment of government employees who undertake the initiative of hosting a meeting on PEI. Those who have capitalized on the assistance of the ECHO program have acquired new skill sets and confidence.

ECHO has become a learning process, an economic generator, and an awareness program for the province, as well as the convention and tourism sectors.

Corporate Services

The Corporate Services Section of the Department of Tourism is responsible for general administration, financial services, human resources, records management, insurance matters, FOIPP, Provincial Parks and Provincial Golf Operations.

Provincial Parks and Confederation Trail

Provincial Parks was pleased to report an increase in campground visitation during the 2009 camping season. Overnight campground visitation was up approximately 9.44% compared to 2008 based on a total of 33020 sites sold. The only Provincial Parks to experience negative growth were Jacques Cartier Provincial Park and Green Park Provincial Park. The decline in Jacques Cartier visitation can be directly attributed to the construction of new sites which, when combined with the higher than average rain fall in the area, resulted in a number of existing sites being unusable at certain times during the season. Unfortunately, Green Park has experienced a steady decline in popularity over the last number of years. Although Green Park features the more sought after 3way sites, it is a heavily wooded area located adjacent a salt water marsh resulting in a significant mosquito population.

In 2009 - 2010, the PEI Provincial Park system of campgrounds and day-use areas benefitted from a \$750,000 capital investment program. Of note, was the significant investment in Jacques Cartier Provincial Park which saw additional work completed on twenty (20) 3way sites. The new sites will be open for the 2010 camping season and be a tremendous addition to not only Jacques Cartier, but also the areas Tourism Industry. Another significant capital project was the installation of a swimming pool at Brudenell Provincial Park. The pool was opened during the Summer and was a huge hit with campers. Additional capital projects included upgrades to Cedar Dunes Provincial Park, Red Point Provincial and a number of Day Parks throughout the Province.

Provincial Parks continues to coordinate and deliver a variety of summer programs to park visitors including children's activities, nature and outdoor interpretative activities, sport activities and family activities. These programs continue to be well received by park users and greatly enhance their visitor experience. Parks were also pleased to provide lifeguard services on 8 provincial park beaches across the province in 2009. This very important service allows Islanders and visitors alike the opportunity to safely enjoy our beautiful Provincial Park beaches. Parks also enjoyed another busy summer at the Mill River Fun Park.

Brookvale Provincial Winter Activity Park had an exceptional winter season in 2010. Although snow fall was limited, an aggressive snow-making program at the Alpine site enabled Brookvale to open on 56 days for skiing and snowboarding. Milder temperatures and few snow storms resulted in one of the busiest alpine seasons on record. At the Nordic Center, new grooming equipment was purchased which allowed for better grooming in limited snow conditions. The Nordic Center was operational for 55 days in 2010 and like the Alpine site, milder temperatures saw an increase in the number of users. Finally, winter programming at Mill River Provincial Park also experienced another busy season with nordic skiing, ice skating, tobogganing, tubing and sleigh rides.

As Managers of Confederation Trail, PEI Provincial Parks recognizes the importance of this unique product to both the Provincial Tourism Industry and the general well being of Islanders. In 2009 -2010, Provincial Parks was able to partner with the PEI Snowmobile Association and Transportation and Infrastructure Renewal (TIR) to access funds through the National Trails Coalition. Through the efforts of all partners, over \$575,000 was invested into the undeveloped section of trail between Vernon River Bridge and Mount Stewart. Although not yet developed to Confederation Trail standards, this preliminary work is the first important step in completing this remaining section of Confederation Trail. Also in 2009-2010, with the support of TIR and the Tourism Industry of PEI, Provincial Parks was able to begin the installation of 220 interpretive panels along the length of Confederation Trail. These panels will identify flora, fauna as well as the Island's culture and heritage. Finally, two (2) trail side washroom facilities were installed in Portage and Bear River which were extremely well received by trail users. Based on the positive feedback received on the washroom facilities, additional units will be installed over the coming fiscal years.

Provincial Golf Courses

Golf on PEI is an important piece of the Tourism PEI strategy.

This season 42,665 non-member rounds were played on the Provincial golf courses, an increase of 1,301 rounds over last year. It should be noted that numbers reported regionally and nationally were flat or slightly down. A factor contributing to the increase was the airing of the Golf Channel's Big Break hosted at Mill River. This popular series was aired in the spring and was heavily advertised on that channel during the Masters golf competition. The program spotlighted the golf product that is on Prince Edward Island.

Golf PEI continues to market the golf product to the long haul visitor. They are a key marketing partner for the product and played host to the International Couples Festival which was held early July. Participation was down somewhat but positive comments were heard and Golf PEI are proposing that the event be held again in 2010 around the same time, early July.

In the 2009 season there was a change to the green fee pricing strategy. A new rate was introduced that was charged to those that played between 9 a.m. and 12 p.m. This rate was approximately 10 to 15 percent higher than the regular rack green fee. We also implemented a 15 percent discount for residents of Prince Edward Island.

Memberships at each course went up 5 per cent for all categories. A new membership option was available to all members of a provincial golf course, for \$299 playing privilege at Dundarave could be purchased. The advance booking window of 10 days was reduced to seven days for members.

The Links a Crowbush Cove experienced a harsh winter and did not start on a positive note. The growing season began late as the temperatures were very cool, and damage that was done over the winter took longer than normal to grow out. Crowbush opened at the end of May, two weeks later than normal. During the delayed opening some improvements were made to the course, new gates were installed, a new roof was put on the clubhouse, and a storage addition was built on to the maintenance shop. There was considerable damage done to three greens on the course, this damage resulted in *Poa Annua* invading the green. Sod was purchased to resurface the affected greens, and the replacement is scheduled to happen in Spring 2010. There were irrigation upgrades done to the course, new satellites were installed. A new tractor was purchased to aid in work that takes place in the fall months.

Brudenell and Dundarave golf courses fared well over the winter and both properties opened on May 11. The Canada Summer Games golf component was hosted at the Brudenell course from Aug. 24-28. The course was closed to the general public each morning but opened up at 12:30 p.m. for regular tee times. Teams, coaches and family from all across Canada convened on PEI to watch their athletes compete. In preparation for the event Brudenell golf course underwent some improvements. Drainage work was completed on three greens (#8, #11 and #12) as well new tee blocks and benches were installed. Cart path paving was completed on holes #3, #7, #13 and #14. The course was in excellent shape. Islanders and visitors alike were treated to some great competitions.

Dundarave golf course purchased a trencher for the drainage project and a treeline brush cutter which will be used to clean up some of the wooded areas, not only on Dundarave but our other golf properties as well. A major fire destroyed some equipment and the equipment storage facility in early November, however thanks to excellent co-operation from our insurers and Risk Management and Self Insurance, the facility was rebuilt quickly and equipment repaired and replaced as necessary in time for the spring opening.

Mill River opened on May 15 and was in excellent condition. The Golf Channel's TV series the Big Break, which was taped at Mill River in the fall of 2008, aired in April of 2009. With the airing of the show weeks before opening Mill River saw an overall increase in non-member rounds played which the department believes is a direct result of the Golf Channel's TV series showcasing the golf product on Prince Edward Island. On the maintenance side a storage shed was built, in partnership with Provincial Parks, additional greens covers were purchased in an effort to better prepare the course for the winter months. A grinder was also purchased which replaced an older machine that was operated manually, this new machine is automated.

Human Resources

The Human Resource section is responsible for providing leadership to the management team in all human resources areas including labor relations, classifications, performance management, recruitment, and training. With the addition of the Culture and Heritage division to our department, the 2009-2010 fiscal year saw a significant increase in the number of employees, bringing out total staff complement to 669 positions (including permanent, student, casual and intern positions).

Permanent Positions

	Full-time	Part-time	Total
Corporate Management	4	0	4
Corporate Services	23	74	97
CRM/Sales	2	4	6
Marketing	16	0	16
Strategy, Evaluation & Industry Investment	10	0	10
Public Library Service	30	32	62
Museum & Heritage Foundation	13	4	17
Culture/Provincial Archives	12	1	13
Total Permanent Postions	110	115	225

Student and Casual Positions

	Total
Corporate Services	3
Brookvale	49
Provincial Golf Courses	92
Provincial Parks	201
CRM/Sales	36
Marketing	3
Stragegy, Evaluation & Industry Investment	2
Provincial Library Service	2
Culture/Provincial Archives	1
Museum and Heritage Foundation	49
Total Student and Casual Positions	438

Intern Positions:

Marketing: two

CRM/Sales: two

SEII: one

Culture/Provincial Archives: one

Total intern positions: six

Financial Services and Office Administration

Financial Services is responsible for budgeting, forecasting, regular expenditure monitoring, and the day to day fiscal management of the Ministry.

Financial Services also manages invoicing, receivables, collections, payables, banking, taxes, procurement, and external audits.

Additional responsibilities include records management, *Freedom of Information and Protection of Privacy Act* compliance, contracts, insurance coordination, telecommunications, fleet management, and office administration.

Consumer Sales And Customer Relationship Management

The Sales and CRM team is responsible for customer service, retention and loyalty. Customer service centres include the provincially run Visitor Information and Call Centres. The division is also the lead for the implementation of the ITS (Integrated Tourism Solution Technology) and the Central Reservation System.

Visitor Information Centres (VIC)

The province operated six Visitor Information Centres at the following locations: Borden-Carleton, Wood Islands, Souris, St.Peters, West Prince, and the Charlottetown Airport. Borden-Carleton provided services to the travelling public throughout the entire year.

The Charlottetown, Cavendish, and Summerside VICs operated as Destination Centres in partnership with the Province through the Destination Centre Agreement with their respective regional tourism associations.

Total travel parties counselled at all the Visitor Information Centres across the Island had a modest 2 per cent growth in visitors served, and the Charlottetown and Borden-Carleton VIC greeted the most visitors of all locations in 2008.

In 2010, Tourism PEI, in partnership with Tourism Nova Scotia, Island East and Northumberland Ferries Ltd, will open a Visitor Information Centre on each of the two Northumberland ferries.

The Integrated Tourism Solution and Book PEI

The Integrated Tourism Solution (ITS) is an initiative to better connect customers and prospects with all the participating partners in the PEI tourism industry. The ITS has created the capability to offer inventory in one central booking system that can be access and used to book directly by all participating partners.

Book PEI is the new Central Reservations System for Prince Edward Island. It allows us to sell PEI tourism products anywhere, anytime, and through any channel, including the Tourism PEI Call Centre, the Provincial Visitor Information Centres, and the website.

Book PEI offers operators a property management system and advertising of room details and photos on the Tourism PEI website. Visitors can now book rooms and activities online, through the Tourism PEI website, travel agents, or participating industry websites.

In the past, online reservation systems were only viable for larger operations. With the launch of Book PEI in January 2009, Tourism PEI has made a considerable investment in a system that can be accessed directly by even the smallest participating partners.

Research has shown that visitors are looking for one-stop shopping when planning and booking their vacations. It was determined that the tourism industry on PEI was losing business to its competitors whose direct-selling capability was becoming increasingly sophisticated. Through Book PEI, the PEI tourism industry now offers the capability for vacation planners and visitors to plan and book their vacations online.

Running the Book PEI call centre through the Visitor Information Centres allows the province to deliver the booking service in-house, leveraging the skilled and knowledgeable VIC staff as the first contact for callers to the province. 2009 was the first year where the call centre operated not only as an information provider, but also as a full service vacation planning services with the resources to make reservations, book experiences, attractions, and tickets, and close the sale.

When Book PEI was launched, there was no charge for operators to use the system for two years. In 2009, extra incentives such as free photos for the online guide were also provided to operators, to encourage them to use the system. The development and implementation of the Book PEI system represents a large part of the \$750,000 spent on the Integrated Technology Solution. In 2010-2011, a flat fee system will be put into place which is designed to recuperate some of the costs of the system, mostly the cost to operate it in the future.

PEI Culinary Alliance and the Pack your Appetite Campaign

The Pack your Appetite Campaign was a joint project between the PEI Potato Board, the Department of Tourism and Culture, and the Department of Agriculture and it was launched in November 2009. There was a contest featured on four million PEI potato bags which were sold throughout Central-Eastern Canada. The contest invited participants to register online for a chance to win a variety of prizes. There were over 100,000 contest entries during the four-month contest period.

Approximately 65 per cent of people who entered the contest provided the website permission to contact them again in the future, adding valuable customer information to our database. There were more than 5,000 requests for the PEI Visitor's Guide. Plans for future campaigns involve promoting oysters and mussels.

The PEI Culinary Alliance was created to promote similar cooperation between culinary, agriculture, and tourism sectors. The Alliance is made up of stakeholders including the Department of Agriculture, the Department of Tourism and Culture, the Department of Fisheries and Oceans, Aquaculture and Rural Development, the Atlantic Canada Opportunities Agency, and representatives from the PEI Seafood Processors Association,

the PEI Potato Board, Culinary Institute of Canada, PEI Restaurant Association, PEI's Chef Association, the Meetings and Convention Partnership, and various other members at large. The goal of the Alliance is to position Prince Edward Island as a premium brand in tourism and food exports (lobster, potatoes, oysters and mussels), by finding unique ways to collaborate among stakeholders.

Culture, Heritage and Libraries

Culture, Heritage and Libraries division

The Culture, Heritage and Libraries division is responsible for managing an operating the Public Archives and Records Office and the Public Library Service, as well as programs and services relating to arts and heritage. The following legislation is the responsibility of the division:

- *Archives and Records Act*
- *Fathers of Confederation Buildings Act*
- *Heritage Places Protection Act*
- *Lucy Maud Montgomery Foundation Act*
- *Museum Act*
- *Public Libraries Act*

Pursuant to legislation the following bodies and organizations provide a separate annual report to the Legislative Assembly and are not include in this report:

- Confederation Centre of the Arts
- Lucy Maud Montgomery Foundation
- PEI Museum and Heritage Foundation

Prince Edward Island Public Library Service

Library services on Prince Edward Island are provided through partnerships with communities under the terms of the *Public Libraries Act*. The Public Library Service (PLS) is responsible for the operation of the province-wide public library system and for the provision of technical support services for the public schools of the province. The legislation formalizes the partnership arrangements that have been the foundation of libraries since the establishment of the Prince Edward Island libraries in 1933. The provincial government, through PLS, provides materials (including books, video and audio tapes, compact disks and other formats), branch library staff, management, planning, evaluation and technical services for the system. Communities have a role in delivering the service, which in most locations consists of providing and maintaining facilities where these libraries are housed, as well as the purchase and maintenance of library equipment such as shelving and seating.

The Public Library Headquarters, located in Morell, provides administration and technical services. This office manages the ordering, processing and cataloguing and distribution of materials for the public libraries and offers similar services to the 66 public schools in the province.

Services to the public are delivered through various locations. In Charlottetown, the Confederation Centre Public Library provides public services to the city and also serves as a central library resource for the province. Also in Charlottetown is the Government Services Library, a central government documents facility.

Public libraries are located in many communities across Prince Edward Island: Alberton, Tignish, O'Leary, Tyne Valley, Abrams Village (French collection), Summerside, Kensington, Borden-Carleton, Kinkora, Crapaud, Breadalbane, Hunter River, Cornwall, Charlottetown (French Collection), Stratford, Mount Stewart, Morell, St. Peter's Bay, Souris, Montague, Georgetown, Murray Harbour, and Murray River.

The Public Library Service offers resources in French in a number of locations. The school-housed public libraries at Abrams Village, the J. Henri Blanchard Library at the Centre Belle Alliance in Summerside and the Carrefour de l'Isle-Saint-Jean are French libraries with limited English language resources. French materials are also found at a number of other libraries in communities with French-speaking residents or French Immersion school programs.

Libraries provided community programs in both English and French to encourage reading family literacy, including baby lapsit, storytimes, author tours, family literacy day, summer reading club, puppet shows, and Canadian Children's Book Week.

Friends of the Library groups are active in many libraries of the Public Library Service. Friends are non-profit groups of community volunteers who value, support and champion the local public library. The Friends support library services and programs by raising funds and awareness of the library in the community.

Public libraries are an essential part of communities across Prince Edward Island. Every year libraries offer a variety of programs for entertainment and enrichment and lifelong learning. Literacy programs included English as an additional language training for newcomers, adult literacy tutoring, and summer tutoring for children. Literacy is also the focus of the annual TD summer reading program for children which registered 1,400 children and offered 450 summer programs to nearly 6,000 children and caregivers in 2009. Libraries offer an incredible variety of entertaining and enriching programs including book clubs, health and wellness seminars, Island history, crafts, gardening and much, much more. This year 4,000 programs were offered at libraries across the province with 44,000 people attending.

Highlights and new initiatives 2009-2010:

- Implementation of wireless service is a key objective of the Public Library Service Strategic Plan. The PLS launched a wireless internet access pilot in several branches in 2010. Wireless will be available in all 26 locations by spring 2011.

- Launched a redesigned Public Library Service website, www.library.pe.ca, with a new design that gives a distinct online presence, is more user-friendly, and allows for more in-depth internal traffic analysis.
- Outreach services launched a Community Care Facilities delivery service in 2009. This province-wide service was piloted in Kings County and has since expanded across the Island. The Community Care Delivery Service provides large print books, DVDs, and audiobooks to residents of 20 facilities in Island communities. Homebound delivery service is planned for 2011.
- Enhanced literacy services by significantly expanding adult literacy and English as an additional language collections; purchased Tumblebooks, an online interactive story database; acquiring AWE literacy workstations in several branches; partnering with literacy groups to provide needed services including Volunteers for Literacy, Literacy Alliance, and PEI Newcomers Association.
- Increased the number of available online resources including Gale General Reference Center Gold, Gale's Student Resource Centre, Canadian Edition, Global Road Warrior, AtoZ Maps Online and Tumblebooks.
- Library Skills Development Certificate training program offered a second year of courses to all public service staff. This PLS-designed staff training program, to be completed over a four-year period, provides training by expert facilitators on various areas of library service. Offerings in 2009/2010 included collections, e-Resources, library customer service and library services for all.
- Increased hours of operation in Kensington and Souris libraries to meet demand. Both branches had significant increases in visitors and circulation of materials.
- Opened a new library facility for the community of Montague in the Cavendish Health & Wellness Centre.
- Awarded 2009 Nora Bateson Staff Award for Excellence in Library Service to Murray Harbour and Murray River Branch Manager Kaye MacLean

Circulation of Library Materials Statistics, 2004-2010:

Location	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006
Rural Branches	316,000	284,000	265,000	274,000	276,000
Summerside	109,000	107,000	109,000	111,000	115,000
Charlottetown	300,000	318,000	329,000	341,000	353,000
French Services	61,000	58,000	61,000	62,000	60,000
Total (rounded)	785,000	767,000	764,000	787,000	804,000
% change	+2.3%	+0.4%	-3%	-2%	+3.4%

Programming Statistics, 2009-2010:

Location	Programs	Attendance	Volunteers
Rural Branches	2,346	21,782	1,132
Summerside	243	2,142	1
Charlottetown	490	10,711	27
French Services	668	10,142	69
Total	3,747	44,777	732

Library Technical Services undertook the second year of a huge project for a \$220,000 grant from the Department of Education to add books to the school libraries. On top of the regular ordering for the year, staff ordered and processed almost 15,000 books for this Special Funding Grant. All in all, Technical Services staff processed over 52,000 items this year for both public and school libraries.

The average cost of a book: 2009-2010 - \$19.22

2008-2009 - \$16.77

2007-2008 - \$19.50

There was a significant increase in books sent in from school libraries for processing, from 11,803 in 2006-2007, to 15,910 in 2007-2008. This was likely due, in part, to extra money from the Special Funding grant that teacher-librarians used to purchase books on their own and send them in for processing.

Technical services statistics:

Public Libraries

Holdings	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006
Titles Owned	280,828	275,218	266,403	254,856	243,089
Volumes Owned	368,323	371,222	369,009	365,066	359,143
Volumes Added	24,442	25,890	21,066	21,325	19,428
Volumes Deleted	28,182	25,328	19,794	16,381	26,408
Acquisitions					
Orders	10,912	11,319	9,270	9,908	10,171
Closed	10,637	10,946	8,419	9,715	9,907
Received	18,665	20,428	13,402	13,960	13,879
Donated	4,032	4,013	6,017	5,792	5,812
Fast Adds	0	81	999	1,162	1,544
Other					
Web site visits	128,000	n/a	n/a	n/a	n/a
Incoming inter-library loans	1,064	1,405	968	1,072	1,360
Outgoing inter-library loans	1,325	934	927	870	923

School Units

	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006
School library books received	18,042	18,215	17,372	16,388	6,589
Value of purchases	\$230,000	\$230,000	\$231,000	\$229,000	\$87,000
Additional items processed for schools	21,620	13,259	15,910	11,803	10,165

Heritage Section

Provincial Heritage Fair Program

The Provincial Heritage Fair was held at the Confederation Centre of the Arts May 15, 2009, with 222 students representing 32 schools and more than 150 volunteers participating. Close to 2,200 students participated in school-based heritage fairs leading up to the provincial fair. Following project judging at the provincial fair, afternoon workshops were provided for students on a variety of subjects: military artifacts, artifact identification, aboriginal talking sticks, an R.C.M.P. presentation, as well as tours of the Confederation Centre Art Gallery and accompanying activities. Six student delegates were selected from the 15 Provincial Heritage Fair finalists to represent Prince Edward Island at the National Fair held in Ottawa in July 2009. The 2009 provincial fair saw an increase in community organization-sponsored prizes for outstanding theme-related projects. Twenty-four local community groups and organizations presented 33 prizes to students.

The Provincial Heritage Fair Coordinator as well as a number of the Planning Committee members assisted in judging at various school heritage fairs from February through April. The planning committee consists of representatives from the Division of Culture and Heritage, the Department of Education and Early Childhood Development, the PEI Museum and Heritage Foundation, and the Community Museums Association of PEI.

A number of local and national sponsors support the Provincial Heritage Fair including: The Department of Education and Early Childhood Development, the Confederation Centre of the Arts, the Canadian Council of Archives, Canada's History Society, Purity Dairy, Parks Canada, PEI Museum and Heritage Foundation, Indian River Festival, and Tourism Charlottetown. With the merging of the Historica Foundation with the Dominion Institute, to form the Historica-Dominion Institute, funding support from this organization for the Heritage Fair program ceased. National coordination was provided by Canada's History Society who will lead re-organization of National Fairs program.

Heritage Places Program

2009-2010 was the final year of the five-year federally-funded Historic Places Initiative. A heritage places researcher was contracted to inventory and photograph Island churches, which resulted in a number of applications researched and prepared for the Heritage Places Advisory Board's consideration for the PEI Register of Heritage Places.

Further applications, 93 in all, were researched and prepared for places identified to be of historical importance in the areas of commercial, tourism, agricultural, fisheries, social, educational, architectural history, etc. With the end of funding for the program, the Registrar of Heritage Place's duties were assumed by the heritage officer.

Three provincially-designated heritage places were accessed funding under the Heritage Incentive Program, a cost-shared grant program for pre-approved work that is in keeping with the *Standards and Guidelines for the Conservation of Historic Places in Canada*. Owners of the Goff House in Woodville Mills replaced the asphalt roof with historically appropriate wood shingles. Victoria Village Inn saw repairs and replacement of rotted trim and verandah elements and roof work, and roof work was completed on the Victoria Community Hall.

The PEI Historic Places Curriculum Resource for Grade 6 students was launched jointly with the Minister of Education and Early Childhood Development in the Legislative Assembly in December. This resource provides supplementary material to enhance the Grade 6 curriculum through providing information and visual materials featuring 33 of the province's historic places.

A series of "This Place Matters" television commercials aired on CBC TV leading up to and during Heritage Week in February. The commercials highlighted five heritage buildings with local residents.

The Division contracted with the Island Media Arts Coop to run a video contest to engage Island youth's interest in heritage places. Entries for "This Place Matters" were submitted on-line and winning entries were selected through voting. The winning entry featured St. Patrick's Roman Catholic Church in Grand River and the runner up featured l'Eglise de Mont Carmel. The student who submitted winning entry was awarded a cash prize and IMAC assistance with re-production of the video.

A Heritage Week celebration was held at Stratford Town Hall which included a presentation ceremony recognizing registered heritage places in Stratford as part of Heritage Week activities in February. Hon. Robert Vessey presented Heritage Places Registration Certificates to 13 Stratford property owners.

Heritage Places Trading Cards featuring designated heritage properties located across the Island were distributed to all Grade 6 students and teachers and to heritage fair participants. The trading cards were also made available to youth through community museums and provincial museum sites.

A large display unit of promotional banners outlining the Heritage Places recognition program was developed and was displayed at various events and public spaces throughout the year including the Vancouver 2010 Olympics.

The heritage officer and the registrar of historic places participated in the annual meeting of the provincial-territorial and national registrars regarding the future of the Historic Places Initiative and historic places websites in Ottawa in May.

Heritage Places Initiative Indicators

Activity	2009-2010
Meetings of the Heritage Places Advisory Board	5
Nominations received	104
Historic Places Registered	64
Historic Places Designated	4
Additions to Canadian Register of Heritage Places	77

Archaeology

Responsibility for Archaeology was transferred to the Department of Health and Wellness following the establishment of the Aboriginal Affairs Secretariat.

Culture Section

The Culture and Heritage section focuses on the promotion of the arts and the cultural industries. Programs include the Community Cultural Partnership Program (CCPP), the Programme de partenariat culturel communautaire (PPCC) and providing support to a number of organizations and cultural venues including the Prince Edward Island Council of the Arts, regional arts councils, the Community Museums Association of Prince Edward Island, six school/communities centres, and other cultural entities.

In August 2009 the minister responsible for Acadian and Francophone Affairs participated in the Semaine acadienne de St Aubin sur Mer. The Semaine acadienne demonstrated the cultural richness of the Acadian and Francophone communities of Prince Edward Island as well as promoted Prince Edward Island. The activity followed the following objectives:

- Promoted links (cultural, economic, tourism, etc) between PEI and France, more specifically with the Normandy region
- Celebrated and commemorated the 65th anniversary of D-Day and the liberation of Saint-Aubin by Canadian/Acadian soldiers.
- Supported the overall cultural and economic development of PEI's Acadian and Francophone community.
- Promoted links (cultural, economic, tourism, etc) between PEI and France, more specifically with the Normandy region.

Culture Program Highlights:

- The Community Cultural Partnership Program that provides support to not-for-profit community-based organizations for cultural and heritage activities supported 26 projects during this period.
- The PEI Council of the Arts supported 31 applications for projects in music, theatre, visual arts, film, writing, craft under a grant program administered by the council on behalf of the Departments of Communities, Cultural Affairs and Labour and Tourism and Culture.
- The Programme partenariat culturel communautaire provided funding to 23 projects and five projects received funding through the Programme de coopération et d'échanges entre le Québec et l'Île-du-Prince-Édouard.
- Four regional arts councils across Prince Edward Island were supported with operational funds and community arts grants.
- Funding was provided to six school/community centres in Charlottetown, Evangeline, Summerside, Rustico, Souris and Tignish under the Canada/PEI Agreement on the French Language Services.
- The Province of Prince Edward Island provided funding and assistance to the Prince Edward Island Seniors Citizens' Federation to continue their successful new LEAP Program. In 2009-2010 the PEISCF received 30 project proposals and was able to fund 19 of these.
- Five information sessions were held throughout Prince Edward Island in partnership with the Regional Arts Councils to provide information on various funding programs delivered by the Culture, Heritage and Libraries Division as well as its affiliates including Music PEI, LEAP, ArtsSmarts and PEI Council of the Arts. Canadian Heritage was also included in the presentation.
- In December 2009, the Culture, Heritage and Libraries Division met with all the Regional Arts Councils, the objective of this meeting was to permit a platform on which the councils could exchange successes and network amongst each other.
- Music PEI held it award ceremony at the Confederation Centre of the Arts in January during Music PEI Week where 26 awards were presented.
- The province provided funding to the Federation culturelle de l'Î.-P.-É. to work with Music PEI to incorporate a multi cultural activity during Music Week in January.
- The 2009-2010 year marked the fifth year for the ArtsSmarts program, with funding contributions from both the Department of Tourism and Culture and the Department of Education and Early Childhood Development. In the fiscal year, funding was provided to 12 projects throughout Prince Edward Island with 641 students, 14 artists and 19 teachers participating in the program.

Public Archives and Records Office (PARO)

The Public Archives and Records Office (PARO) operates under the authority of the *Archives and Records Act* (SPEI 2001, cap.28). It is comprised of the Public Archives unit and the Recorded Information Management (RIM) unit. The Public Archives unit acquires, preserves, and provides access for researchers to the records of the Prince Edward Island government as well as private-sector papers and records deemed to be of lasting historical value. The RIM unit is responsible for the development of policies, standards, procedures and services for effective recorded information management throughout government.

The fiscal year 2009-2010 saw the number of onsite visitors remain at previous levels at 4,163 research visits. The demographic breakdown of our researchers also remained essentially the same with 90.5 per cent of research visits by Canadians (more than 85 per cent of whom were from PEI), a slight increase in Americans at 8.6 per cent with the remaining 0.9 per cent by residents of other countries.

The number of inquiries received by the Public Archives rose dramatically in 2009-2010 to 985, a 65 per cent increase. This is partially due to the transfer of records from Vital Statistics Services during the 2008-2009 fiscal year, which has resulted in an increase in requests from the staff of Vital Statistics and the general public. The number of general requests, however, is up by 16 per cent. The major portion of these inquiries remain email requests at 74.6 per cent. The public demand for copies of images continued to rise, to 769 from 483, in 2008-2009, an increase of 59.2 per cent, with 88% per cent of these images in digital format. The number of reels of microfilm produced was again high due to work on the newly acquired Vital Statistics records that must be filmed in order to provide user access. In total 22 reels of microfilm were shot. The numbers of photocopies and microfilm prints made at the request of patrons remained constant at approximately 10,523.

PARO received \$50,000 in the 2009-2010 capital budget to purchase equipment, which greatly increased the ability of staff to assist researchers and to preserve archival material. With the guidance of the archives and preservation advisor of the Archives Council of Prince Edward Island, PARO staff were also able to acquire the supplies needed to create Disaster Preparedness Planning kits for both the Public Archives and the Provincial records centre.

For the second year in a row, PARO participated in a facilities study. The Culture, Heritage and Libraries division and the Museum and Heritage Foundation partnered to commission a study on the feasibility of creating a new centrally-located provincial museum and Public Archives & Records facility. PARO staff assisted the consultants in gathering information concerning: PARO's physical space in relation to its functions, the current storage situation for both historic records at the Public Archives and current records at the Provincial Records Centre, a reasonable growth projection for the next 20 years, the options for co-locating Archives and PEI Museum functions, and the cost of the various options. Along with addressing the possible options available for a combined archives and museum facility, the final report provided an estimate of annual collection growth (for historic and semi-active records) of 3 per cent and supported the call for improved public and staff facilities documented in the Carman V. Carroll & Associates facilities needs study report of 2009.

A major highlight of the 2009-2010 fiscal year was PARO's participation in "Island Imagined: The Story of Prince Edward Island in Maps" an Archival Community Digitization Program (ACDP) project conducted in partnership with the University of Prince Edward Island and the PEI Museum and Heritage Foundation. The goal of this project was to digitize and provide access to Prince Edward Island-related cartographic materials, the majority of which are housed at PARO. In all, more than 682 of PARO's maps, as well as insurance plans, were digitized and are now available online through the "Island Imagined" website (<http://www.livingarchives.ca>).<http://www.islandimagined.ca/>).

With the move of the Culture, Heritage, and Libraries section to the Department of Tourism and Culture in January 2009, PARO was assigned its own website (www.gov.pe.ca/archives), which was launched with a new design at the end of March 2010. Because of this change in platform, statistics are only available from Feb. 8 - March 31, 2010. However, the available statistics do suggest that our patrons continually look to the Internet as a means to accessing archival material. In addition to launching the new website design, PARO also continued to add records to the ever-popular Baptismal Index, developed a Recorded Information Management section which provides useful information for Provincial government staff involved in records management, and, in honour of the 2009 Canada Games, launched a new online exhibit, the History of Sport and Recreation on Prince Edward Island, 1850-1950.

Provincial Archives and Records Office — Activities 2009-2010

Activity	Frequency
Research visits	4163
Inquiries - includes email, mail, phone, fax, and requests from Vital Statistics Services	985
Photos reproduced, including digital scans	769
Reels of microfilm produced	22
Pages of documents copied for researchers	10439
Web page views	119246
(In February 2010, PARO's web content was transferred from the former Communities, Cultural Affairs, and Labor website to its own site. Because of this change, statistics for the website are only available from 8 February to 31 March 2010.)	

Holdings Management

Additions to the holdings of private donations increased significantly during 2009-2010, with the acquisition of 53 new collections as well as 34 additions to existing collections. The new materials received include: records from more than 18 Women's Institutes; correspondence and financial papers from the Hickey Nicholson Tobacco Company; and records of the Ladies' Auxiliary of the Protestant and Family Services Bureau (1959-2009).

PARO received additions to government record groups which include: copies of Journals of the Legislative Assembly, dating from 1911 to 1960; an Executive Council Minute Book (1952-1955); and a collection of photographs documenting the proclamation and presentation of the Provincial Armorial Bearings. PARO also received several additions to RG 39 which included school registers and/or trustees books for Belfast, Ringwood, and Belmont.

PARO's commitment to providing public service whether in responding to queries, assisting researchers onsite, or meeting the increasing demand for digitized material has continued to limit staff time available for arranging, describing and physically preparing newly acquired archival material for use by the public. PARO continues to experience the effects of the change in the funding streams available from the Canadian Council of Archives, which brought about the demise of the Control of Holdings Program. However, PARO was successful in filling the newly created government records archivist position. The incumbent has begun addressing the processing of the significant back-log of government records that have been transferred to PARO from the departments through the Recorded Information Management Program.

Preservation

PARO continues to rely on the services of the archives and preservation advisor (APA), an employee of the Archives Council of Prince Edward Island. The APA assisted PARO staff in reviving the disaster planning and preparedness process. The APA continued to help PARO with the reorganization of collections storage to provide optimal storage conditions, created customized enclosures for approximately 60 archival documents, and re-housed 72 architectural plans. The APA also completed conservation treatment on 42 PARO objects, surfaced cleaned 43 maps in preparation for scanning, and removed pressure sensitive tape from 57 photos.

Outreach

Outreach activities included providing approximately five tours of the Public Archives for a Youth at Risk group, Grand Tracadie School students, and Ace program students with 47 attendees in total. PARO staff gave presentations to 36 staff at six provincial library locations, one presentation to approximately 12 individuals during the Stratford Community School Genealogy class, and a presentation to the UPEI Public History class. Staff continued to serve on the executive of the Archives Council of PEI, respond to inquiries from the Island archival community, and participate in the judging of Heritage Fair submissions. As in previous years, PARO continued to provide support and training for an archival intern who is undertaking her Masters in Archival Studies at the University of Dundee. The intern was responsible for mounting a new display, entitled History of Sport and Recreation on Prince Edward Island, 1850-1950, for the lobby which has also been made available on the PARO website. She also completed several archival descriptions for newly acquired materials.

Recorded Information Management (RIM) Program

Records Retention & Disposition Schedules

The major focus of the RIM program is the development of records retention and disposition schedules that are the primary tools used in identifying and defining records and in determining how long each type of record must be retained to meet administrative, fiscal and legal requirements. Under the guidance of PARO staff, these schedules are created by the individual departments and approved by the Public Records Committee, the structure and authority of which are defined by the *Archives and Records Act*. The Public Records Committee met once during the year and approved 69 schedules for five departments.

Training

The success of the RIM program depends on the ability of provincial governmental staff to understand the importance of and implement the approved retention and disposition schedules as well as departmental file classification systems. Thirty-five participants attended RIM training courses offered in May and September 2009. The RMLIO Network Group, which was created to bring together the records management liaison officers to share their experiences and knowledge as well as to work together to resolve problems, met in March 2010.

RIM Program Assessment

In 2008, a government-wide RIM Program Assessment was developed to assess the status of the RIM Program within each department. Presentations were given to all Senior Records Managers and Records Management Liaison Officers (RMLIO's). Each department was asked to assess their program with the intent that this information would guide them in their RIM Program planning, including assessing departmental long-term storage requirements and identifying the need for dedicated RIM staff. Departments have worked diligently on the assessments with the result that all were complete by March 2010.

Provincial Records Centre

The Provincial Records Centre provides free and secure off-site records storage and retrieval services to all government departments and agencies. This service allows departments to free up valuable office space by moving inactive records to an offsite storage facility while still maintaining ownership and management of the records. The Records Centre holds the records until their retention time is complete and then disposes of the records according to their legally approved disposition (destruction or transferral to the care and control of the Public Archives). Due to the increasing understanding and adherence to the policies and procedures of RIM within the departments, the volumes of records legally transferred to the Provincial Records Centre has risen by 161 per cent over the past five years with a total increase of 12,701 linear feet since 2005-2006.

Provincial Records Centre Statistics, in linear feet – 2005-2006 to 2009-2010

Activity	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006
Records destroyed with authority by departments	3,956	3,779	3,467	3,383	1,887
File/box retrievals	1,143	1,110	1,171	1,135	1,192
Files refilled	1,010	875	682	621	784
Volume in storage	18,530	12,582	9,011	7,894	7,777
Incoming government records	2,483	4,448	378	1,719	1,165
Records destroyed	(383)	(559)	(685)	(582)	(427)
Records archived	0	0	0	(1)	(615)
Records returned to departments	(35)	(6)	(5)	(19)	(6)
Total volume records	20,595	16,465	8,699	9,011	7,894

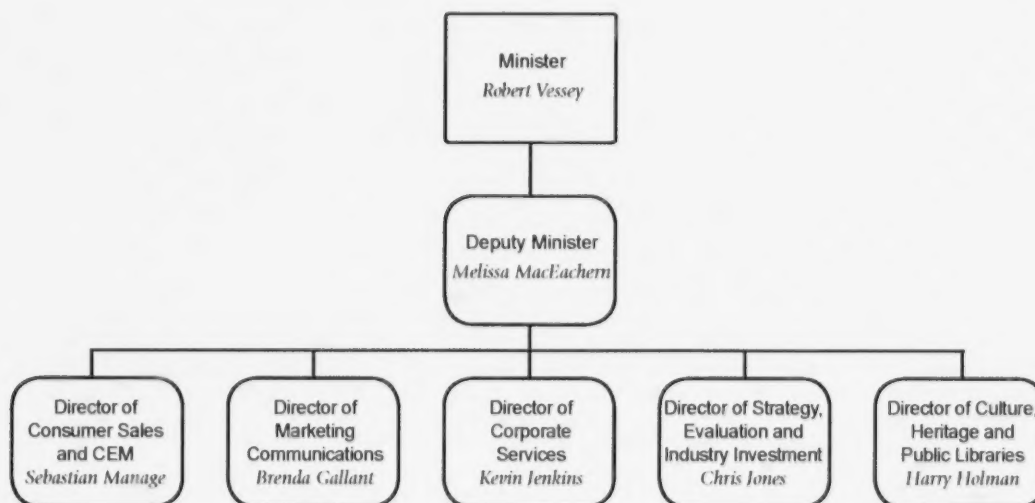
Electronic Content Management System

A new initiative in which records management staff are involved concerns the management of the government's electronic records, an issue which has not as yet been addressed by government departments. Developing effective strategies to ensure that electronic records are managed and have the same authenticity and reliability as paper records has become a focus of the RIM Program. IT Shared Services (ITSS) has also been challenged to deploy document management and content management tools to various departments to support specific application needs. As a result of shared concerns about these issues, PARO staff have been asked to work with ITSS staff to launch an initiative to assess the overall requirements for document and content management, and to look at various solutions which will meet the needs of all departments while achieving cost effectiveness across government.

Appendix A

Departmental Organization Chart

Departmental Organization Chart, As of March 31, 2010



Appendix B

Legislative Responsibilities, Boards, And Commissions

Acts

Archives and Records Act

Fathers of Confederation Buildings Act

Heritage Places Protection Act

Highway Signage Act

Lucy Maud Montgomery Foundation Act

Museum Act

National Park Act

Public Libraries Act

Recreation Development Act

Tourism Industry Act

Tourism PEI Act

Trails Act

Boards/Commissions/Agencies

Tourism Advisory Council

Tourism PEI Board

Tourism Arbitration Board

Appendix C

Financial Statements

Tourism PEI

**Financial Statements
March 31, 2010**

 **Arsenault-Bert-Cameron**
CHARTERED ACCOUNTANTS



ArsenaultBestCameronEllis
CHARTERED ACCOUNTANTS

A Member Firm of The AC Group of Independent Accounting Firms Limited

Chartered Accountants &
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Prince Edward Place
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Charlottetown, Prince Edward Island
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May 12, 2010

Auditors' Report

To the Minister of Tourism

We have audited the balance sheet of **Tourism PEI** as at March 31, 2010 and the statements of earnings and cash flows for the year then ended. These financial statements have been prepared, in accordance with Canadian generally accepted accounting principles. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

ArsenaultBestCameronEllis

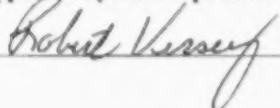
Chartered Accountants

(1)


Tourism PEI
Balance Sheet
As at March 31, 2010

	2010 \$	2009 \$
Assets		
Current assets		
Cash	1,125,714	897,361
Accounts receivable (note 4)	1,979,336	926,307
Due from the Province of Prince Edward Island (note 3)	-	1,770,323
Prepaid expenses	12,512	59,530
Inventory	104,336	127,432
	<u>3,221,898</u>	<u>3,780,953</u>
Property and equipment (note 2)	1	1
Investment in subsidiary (note 5)	-	100
	<u>3,221,899</u>	<u>3,781,054</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 4)	2,855,272	2,579,770
Due to the Province of Prince Edward Island (note 3)	366,627	1,201,284
	<u>3,221,899</u>	<u>3,781,054</u>

Approved by the Corporation

 Minister

(2)

 Arsenault, Best, Cameron & Ellis
 CHARTERED ACCOUNTANTS

Tourism PEI

Statement of Earnings

For the year ended March 31, 2010

	2010	2010	2009
	Budget (unaudited) \$	Actual \$	Actual \$
Revenue			
Grants from Province of Prince Edward Island	16,961,400	18,232,253	18,103,026
Marketing	1,300,000	1,159,775	1,289,096
Brookvale Ski Park	282,200	399,808	337,851
Park Operations	848,400	936,321	817,785
Visitor Services	105,000	85,478	109,454
Golf Operations	5,045,400	4,582,892	4,370,665
	24,542,400	25,396,527	25,027,877
Expenses			
Corporate Management	573,100	575,103	515,243
Finance and Administration	906,600	825,553	740,121
Parks Administration	428,900	378,289	418,855
Park Operations	2,766,900	2,767,173	2,698,858
Brookvale	564,900	643,530	613,065
Golf Operations	5,843,400	5,866,252	4,928,003
Strategy and Evaluation	820,500	767,914	666,285
Industry Investment	2,147,500	3,690,296	3,472,510
Regulation and Compliance	217,300	203,252	197,445
French Services	253,900	253,620	303,900
Business Development	935,800	1,054,012	931,943
Visitor Services	667,100	698,150	633,215
Marketing	6,245,000	5,651,111	6,696,110
Media Relations/Editorial	302,200	341,640	322,985
Fulfillment	661,600	659,701	690,135
Publications	762,500	633,585	703,610
Travel/Trade Sales	445,200	387,346	495,594
	24,542,400	25,396,527	25,027,877
Excess revenue for the year	-	-	-

(3)

 Aronault Best Cameron Ellis
Over 20 years of experience


Tourism PEI

Statement of Cash Flows

For the year ended March 31, 2010

	2010 \$	2009 \$
Cash provided by (used in)		
Operating activities		
Excess revenue for the year	-	-
Net change in non-cash working capital items		
Increase in accounts receivable	(1,053,029)	(91,233)
Decrease in due from the Province of Prince Edward Island	1,770,323	608,887
Decrease (increase) in inventory	23,096	(127,432)
Decrease (increase) in prepaid expenses	47,018	(59,530)
Increase in accounts payable and accrued liabilities	275,502	455,955
Decrease in due to subsidiary company	-	(1,375,649)
Increase (decrease) in due to the Province of Prince Edward Island	(834,657)	1,201,284
	228,253	612,282
Investing activity		
Decrease in investment in subsidiary company	100	-
Net change in cash	228,353	612,282
Cash - Beginning of year	897,361	285,079
Cash - End of year	1,125,714	897,361

(4)

 Arsenault Best Cameron Ellis
CHARTERED ACCOUNTANTS

Tourism PEI

Notes to Financial Statements

March 31, 2010

1 Status of the corporation

Tourism PEI became a Crown corporation effective March 31, 1999 under the Tourism PEI Act passed by the Government of Prince Edward Island on June 8, 1999. The objectives of Tourism PEI are to carry out tourism related activities of the Province of Prince Edward Island. Beginning April 1, 2008, Tourism PEI maintains and operates the provincially owned golf courses.

The financial results of the corporation are included in the public accounts of the Province of Prince Edward Island.

2 Summary of significant accounting policies

The financial statements of the company have been prepared in accordance with Canadian generally accepted accounting principles. The following is a summary of significant accounting policies used in the preparation of these statements.

Due to the Province of Prince Edward Island

Current operations:

Excess revenue for the year for Tourism PEI is recorded as a reduction in Grants from Province of Prince Edward Island and as an amount due to the Province of Prince Edward Island.

Property and equipment

Tourism PEI expenses property and equipment in the period purchased.

Real property transferred to the company at no cost is recorded at a nominal value of \$1.

Inventory

Inventory is valued at the lower of cost, determined using the average cost method, and market. Market is defined as net realizable value.

Revenue recognition and government assistance

Grants from the Province of Prince Edward Island are recorded as revenue when received. Revenue from marketing activities is recorded when billed and revenue from park operations, services and fees is recorded when earned as services are provided. Excess revenue (expenses) for the year is recorded as a reduction (increase) in Grants from Province of Prince Edward Island and as an amount due from (to) the Province of Prince Edward Island.

Revenue from green fees, golf shop, rentals and concessions is recognized when goods or services are delivered to the customer and ultimate collection is reasonably assured. Revenue from memberships is recognized in the period earned and when ultimate collection is reasonably assured.

(5)

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CHARTERED ACCOUNTANTS

Tourism PEI

Notes to Financial Statements

March 31, 2010

Expenses are recorded in the period in which the related goods and services are consumed except for certain marketing related expenditures that are recorded in the period the goods and services are acquired and a liability incurred and program grant expenditures that are recorded in the period in which the funds are approved for disbursement and a corresponding liability incurred.

Other revenue items are recognized when goods or services are delivered to the customer and ultimate collection is reasonably assured.

Vacation pay and pension liabilities

The staff of Tourism PEI are employees of the Province of Prince Edward Island. Direct costs for employees of the Province of Prince Edward Island allocated to Tourism PEI are charged to the company on a per-payroll basis. Since the staff are employees of the Province, accrued vacation pay and pension obligations are liabilities of the Province and not the corporation and no liability for these costs has been accrued by the corporation as at March 31, 2010.

Management estimates

The presentation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period.

Financial instruments

Financial instruments are comprised of cash, accounts receivable, accounts payable and accrued liabilities and due from/to the Province of Prince Edward Island. Due to their short-term nature, all the financial instruments are considered to be carried at amounts which approximate their fair value.


Financial risk management objectives and policies

Tourism PEI's risk management policies are part of the overall management of the entity's operations. Management's direct involvement in day-to-day operations identifies risks and variations from expectations leading to changes in risk management activities, requirements and actions. Management has not entered into hedging transactions to manage risk. As part of the overall management of the entity's operations management considers avoidance of undue concentrations of risk, and employs appropriate investment and credit management policies to manage Tourism PEI's exposure.

3 Due to the Province of Prince Edward Island

	2010	2009
	\$	\$
Capital projects	-	1,770,323
Current operations		
Excess revenue for the year - Tourism PEI	(366,627)	(1,201,284)

(6)

 Arsenault Best Cameron Ellis
CHARTERED ACCOUNTANTS

Tourism PEI

Notes to Financial Statements

March 31, 2010

4 Related party transactions

During the year, the corporation utilized office premises from a Department of the Province of Prince Edward Island for nil consideration.

Tourism PEI utilizes the provincial parks, including Brookvale Ski Park, the provincial day parks and the full service campgrounds, as well as the Visitor Information Centres in carrying out its mandate. Tourism PEI pays nil consideration for utilizing these facilities.

Included in accounts receivable is \$1,191,784 (2009 - nil) due from the Province of Prince Edward Island. Included in accounts payable and accrued liabilities is an amount of \$55,153 (2009 - \$30,631) due to a department of the Province of Prince Edward Island, \$36,145 (2009 - \$26,353) due to Innovation PEI, a provincial Crown corporation, and \$3,157 (2009 - \$2,629) due to Environmental Industrial Services Inc.

The company utilizes the provincial golf courses from the Province of Prince Edward Island for nil consideration.

5 Operations of subsidiary

Effective April 1, 2008, Tourism PEI purchased the net assets of Golf Links Prince Edward Island Inc. and took over the operations of Golf Links Prince Edward Island Inc. On July 14, 2009, Golf Links Prince Edward Island Inc. was wound up and ceased to be incorporated.

6 Commitments

The minimum annual lease payment required over the next five years under operating leases for base rentals including premises in Mill River expiring in August 2075 and for an equipment lease expiring in November 2011 are as follows:

	Equipment \$	Premises \$
Year ending March 31, 2011	96,342	1
2012	96,342	1
2013	-	1
2014	-	1
2015	-	1

In addition to the base lease premises rental, there is a requirement to pay the company's pro rata share, based on rental space, of the operating costs, including property taxes, of the premises.

(7)

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CHARTERED ACCOUNTANTS



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